

## STATE OF THE STATE ADDRESS

Remarks Prepared For  
Delivery By  
Governor John Ashcroft  
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### "COMMITMENT TO PROGRESS"

Lieutenant Governor, Mr. Speaker, Mr. President Pro Tem, distinguished state officials, members of the 85th General Assembly, my fellow Missourians. I am grateful for the opportunity to be here with you again this year, and for the opportunity to work with you in service to the people.

Let me begin by offering my congratulations to the new legislators here. I hope the first days of this session have been good ones for you. I pledge my cooperation to work with you and your colleagues for the good of our state.

As Robert Browning said, progress is man's distinctive mark alone. God is all that He wills to be. His animals are all that they will ever be. But man is only part of what he wholly hopes to be. That special gift of unmet potential defines the mission

of each soul. We here today share the blessing of a special opportunity to help our people achieve that mission. I invite you to join me as I pledge to honor that blessing with a renewed dedication and COMMITMENT TO PROGRESS.

We have laid a strong foundation on which to build. The progress we have made in recent years has been the result of our ability to work together, developing and strengthening each other's ideas. I look forward to continuing that process this year. As we begin this new phase of our work together, I am recommending for your consideration three avenues for our pursuit of progress.

We must pursue PROSPERITY for all the people of Missouri. This means not only their material well-being but, even more importantly, the fullest opportunity for all the people we serve to realize their greatest God-given potential.

We must pursue PREVENTION by removing the dangers and obstacles that would block the path to progress. This means winning the war against drugs. It means opening more doors to good health. It means a clean and safe environment.

Above all else, the pursuit of progress requires PREPARATION, and so long as education remains that essential preliminary to progress it must remain our top priority.

Prosperity, prevention and preparation, then, will be the paths by which we pursue our renewed commitment to progress.

### PROSPERITY

An environment of prosperity should be built upon the achievements our efforts already have fostered. You have provided for enterprise zones, a job development fund, better highways, small business development, opportunities for women and minorities, and energetic marketing of our products around the world. We've put those tools in the hands of the new Department of Economic Development that you created. It has delivered the positive results that we all intended. The results: substantial reduction in unemployment with 200,000 net new jobs, personal incomes rising faster than the rate of inflation, and a business environment near the top of the nation in attractiveness to industry and jobs.

But now is the time to listen to Satchel Paige: "Don't look back, somebody might be gaining on us."

## Jobs

Let's press ahead with an Export Development Office that can help Missouri's small and medium size businesses get in there and compete with the big guys around the world. Your leaders and I have travelled across oceans and continents and we can tell you this: Wherever we can open the doors, the world is eager for the quality that Missouri workers produce.

I believe Missouri retailers will be even more eager to offer the quality that their neighbors here produce. That's why I'm asking your support and funding for an "import substitution" program to let our Department of Economic Development inventory retailers' needs and cross-check them against the production of Missouri manufacturers. When we let our companies know where they can "Buy Missouri" they will substitute Missouri goods for foreign imports - keeping jobs here at home.

Our prosperity campaign needs to push hard into our small towns and rural areas. We should immediately capitalize on the groundwork you have laid with initiation of the AgriMissouri promotion, and the Main Street and commercial agriculture

programs. I am also asking you to extend industrial loan guarantee opportunities to rural banks on the same basis that they are available anywhere else. I urge you to enact the Rural Economic Development Council concept that you put so much work into developing during the past two sessions. Let these be part of our bridge to a new century that the Speaker so eloquently described in his address.

A drought of water as well as credit has parched the economies of many of our northern Missouri rural communities. Our drought task force has helped 14 communities with water supply problems and continues to monitor local and agricultural water shortages. The task force will continue to work with the Corps of Engineers and the U.S. Department of Agriculture to develop ways to assist those who suffer from the continuing drought problems in northern Missouri.

Bringing new prosperity to all Missourians must take us into our inner cities as well as the open countryside. We must break the welfare chains of the dependent poor throughout the state of Missouri. Representative Nilges and Senator Banks have given us a strong head start in our planning to implement the welfare reform measures

Congress authorized last fall. You can count on my continued support and determination in every essential step to take advantage of that authority. Let's start now to get every able-bodied Missourian on welfare the education and training needed to get a good-paying job.

### **PREVENTION**

Our best efforts to achieve prosperity and progress cannot fully succeed, however, unless we find ways to overcome a constellation of hazards arrayed against modern life. Drug abuse corrupts the affluent and abject alike. Invisible contamination of earth, air and water endangers young and old. Costs of technology and expertise hold many of the miracles of modern medicine almost beyond reach.

These obstacles have become giant hurdles to the progress of our people. We must sweep them away before they drain the energy, health and spirit of Missourians.

### **Drugs**

The President Pro Tem and the Speaker both have emphasized the paramount importance of immediate, radical action in the war against drugs. Last fall, I laid out my proposals and am now pleased to add my voice to theirs. We need more troopers to send into the drug battle.

We need stronger penalties for the abomination of making drug-runners and addicts of little children. We need to bring every constitutional tool of law enforcement to bear against the perpetrators of illegal drugs including the interception of telephone calls. And, we need the death penalty hanging over the heads of those involved in drug-related murders. Our citizens are waiting. This is the year to strike out at the dealers of drugs.

### **Health Care**

Promoting the health of Missourians is another essential component of our efforts to eliminate obstacles to progress. We have mounted a sustained strategy to improve the health of all Missourians. Beginning with creation of the Department of Health as our spearhead, our strategy has been careful and effective rather than rash and wasteful: first, we have put prime attention on those most in need. Second, we have expanded proven programs with successful track records rather than devising grand experiments of unknown practical value.

- We doubled state aid to local health agencies.
- We widened eligibility for Medicaid-supported prenatal and young child care to include working, earning

families. Already, over 5,600 pregnant women and 10,500 young children have benefited from this action alone.

- We expanded, almost ten times over, aid to help hospitals serve the poor.
- We expanded preventive health programs and health care programs for older Missourians; in-home services and other alternatives to nursing home care; action to deal with Alzheimer's disease; tougher standards for nursing home care; and an AIDS program that is being called a national model.

This is a realistic strategy, one that already is paying off in improved health for children, for seniors, for low-income families, and for Missourians with disabilities.

We have achieved these and many other health gains not by raising taxes on the working people of Missouri but by making judicious use of existing revenue. Yes, we have increased state spending on health and have been right to do so. But we also have targeted state money to programs that are eligible for matching federal Medicaid funds. By doing this we have multiplied the value of our

state investment more than twice over.

Do we plan to do more?  
Of course we do!

Our health agenda for 1989 is the most ambitious in Missouri history.

- We must adopt a new "Life Savings Protection Initiative" to take advantage of the federal Catastrophic Coverage Act for senior citizens facing steep medical costs. By 1991 this will be a \$75 million investment of state and federal funds.
- We should increase by another 50 percent our support for hospitals' which care for the poor.
- We must create a new, "Tier II" level of more intensive personal care services to help older Missourians remain in their homes and provide new resources for the "Fair But Firm" nursing home program that you authorized last year.
- We should provide for an extensive program of testing and treatment which could prevent between 25 and 50 percent of all mental retardation and birth defects in those being treated.

- We must further expand our Medicaid coverage of low-income women and children by covering children up to age 4, broaden our nutrition programs and provide greater support for local health agencies.
- And, if you approve a funding mechanism, I believe we should further expand our catastrophic illness coverage for the working poor by enacting a medically needy program to provide health care for those who need it most.

These steps will ensure our continued progress toward better health and medical care for all Missouri citizens.

### Environment

A preventive approach to better health also requires a renewal of our commitments to progress in safeguarding our environment. We have every reason to make 1989 a year of decisive action toward our goal of ensuring that the people of Missouri can enjoy a clean and safe environment.

The terrible construction-site tragedy that took the lives of six valiant firefighters in Kansas City drives home the urgency for new safeguards against hazards in our communities.

As a matter of the highest priority, I urge your further refinement of chemical emergency preparedness and community right-to-know statutes. The people of Missouri have a fundamental right to know if explosives and other hazardous chemicals and substances are handled with the utmost attention to their safety. We need to give the Missouri Emergency Response Commission statutory footing, require public notification of dangerous materials, give public authorities the right to inspect on demand, and impose new, tough penalties on violators.

We must take other actions as well to build a tall, protective fence between the people of Missouri and threats to a safe and clear environment.

- We must safeguard the quality of the air Missourians breathe and the water they drink. I strongly support legislation to set high, new water testing standards and funding to monitor the quality of our air.
- We need to take new measures to address the literally mounting problem of solid waste and the related issue of infectious waste.

We must explore and develop new approaches to dealing with solid waste -- for example, sorting, recycling, waste reduction, and composting -- at the same time we strengthen safeguards against the public health threat posed by infectious waste and unsafe disposal of dangerous chemicals.

### PREPARATION

Preparation is the third aspect of our commitment to progress, although as a priority it is first. Preparation means education, and education remains our top priority today, just as it has been for the past four years. You have given it your highest commitment, and you have my thanks along with that of all Missourians.

#### Education

If my recommendations for the coming year are approved, we will have increased School Foundation and Excellence aid to public schools by fifty-five percent since 1985. By comparison, that's more than twice the percentage increase that the 1987 highway funding vote generated for support of the State Road Fund. In 1984, hundreds of Missouri teachers earned less than \$10,000 a year; next year no teacher will be paid less than

\$18,000. Our class sizes are already well below the national average, and the American Federation of Teachers reports that, after adjustment for the cost of living, Missouri now ranks twenty-first among the fifty states in average teacher's salary -- ahead of states like Massachusetts, Delaware and New Jersey. Your commitment to the school children of our state is unquestionable, and I am grateful for it.

But, again, we must not look back, for something is gaining on us -- it's a new century, and a new society. We must continue building on our efforts. In addition to another fifty million dollar boost paralleling last year's increase in the foundation formula, we should increase the number of districts offering teachers special career ladder pay for outstanding classroom performance. We can do that by guaranteeing that the state will pay no less than fifty percent of career ladder costs for every participating district. Let's reward more teachers for teaching well.

We must also focus even more intensely on the underachieving students in our schools. The next century offers bright prospects that can be dimmed only by the gloom of ignorance and

illiteracy. No child of Missouri should be at risk of such dark fate. Already we have taken steps to measure the progress of learning and assure that every student in school masters essential knowledge. That is imperative, and the knowledge they need includes, as President Pro Tem Mathewson has so wisely reminded us, a civic preparedness that will enable them to function as responsible citizens in a democratic society.

We must do more. We must recruit more minority teachers so that every student -- Black, white, Asian, Hispanic -- has a variety of role models to look up to, respect and emulate.

We need to track every dropout as if he or she were an unrefined gem -- because that's exactly what each is. They need only the polish of education to shine their light in the world. I ask you to require every high school to give us the names and addresses of all dropouts so that we can contact them individually and encourage them to return to school, take advantage of adult education, or find another way to continue their education.

#### St. Louis/Kansas City Schools

Other students are at special educational risk even

while in school. In Missouri as throughout the nation, education in our urban centers is a special challenge. The fact that federal courts in St. Louis and Kansas City have interposed themselves between the schools and their communities has only intensified that challenge.

I believe the St. Louis schools appear to be making progress toward quality education despite all obstacles. Dedicated school and community leaders there have generally recognized that court orders are no substitute for committed local effort. While still frustrated by the course of litigation there, I have been buoyed by their determination to preserve for the people of St. Louis maximum control and responsibility for their children's education. School officials have been expected to live up to that responsibility and, while the schools have far to go, that expectation has been the key to progress. The school board and its management are working to stay in control of their schools.

Unfortunately, the picture in Kansas City has been much different. When a federal judge there grabbed the ability to command unlimited resources from taxpayers throughout Missouri,



too many leaders there seemed willing to turn the district's steering wheel over to the federal courts. Much of the school district's elected leadership has been acting ever since as if they were just along for the ride -- and they expect taxpayers from the rest of the state to pay the fare.

Kansas City has one of the highest levels of per pupil expenditures in the state, even higher than the national average. But the school board there claims that it is too broke to pay even its 25 percent of court-ordered costs, so the state is paying 93 percent this year. This month, when the time came to refund the tax surcharge that had been overruled on appeal, the board claimed it couldn't afford it so we've had to squeeze an extra \$30 million out of the state budget I'm submitting today. If we can swallow that, the way things are going we may have only about \$550 million more to pay in the next five years.

But the saddest fact, the greatest tragedy, is that with all those dollars that are envied by every other school district in the state, students are without textbooks, buses don't get to school on time, and teachers aren't hired in time for classes to start.

This is not time to blame the victims. I've been to the schools in Kansas City and I know that there are hundreds of capable, well-intentioned people hard at work there. But too many leaders have fallen victim to the disastrous, debilitating delusion that we can buy our way to excellence in education.

We can never buy our way to excellence. We can only work our way to excellence.

The time has come to take a serious look at the management of the Kansas City school district. I am today releasing a report of concerns I hear constantly from residents of Kansas City. I am asking our Commissioner of Education to chair a task force on the management of the Kansas City schools and report back to you and to me within 45 days with recommendations for immediate and long term action.

#### Higher Education

The priority and concern that we assign to education extends to higher education no less than elementary and secondary. With my recommendations for the coming year, we will have increased state support for public colleges and universities by more than 58 percent since

1985. Over and above that support, we have invested in a record-setting \$300 million worth of capital improvements on our campuses. For the first time in history, more than 50 percent of our public high school graduates are going to college, and the authoritative "Halstead Reports" indicate that we have moved from fortieth to twenty-ninth among the states in higher education appropriations per student. Again, you have demonstrated your commitment and you have my thanks.

As you know, I have been determined--and I'm confident that we all share this determination--to see this support produce evidence of new progress and results. It has been encouraging to have so many of our institutions report on better student performance and campus enthusiasm for the new projects and facilities underway. We need to maintain the momentum of our support for the leadership that generates these results.

On the other hand, where institutions have been unable to convert new resources into a demonstration of positive results and progress, we should ask: why not? The taxpaying voters who assembled us here expect a greater return on a higher investment,

and we should expect no less from our public institutions. There is no excuse for a sense of deterioration or defeat in the face of forty or fifty percent increases in funding. We should focus our support and commitments where they generates positive results and progress.

The Coordinating Board for Higher Education has been supportive of this philosophy. I appreciate their work. I do not believe, however, that it has yet been able to devise a distribution formula that adequately reflects these considerations. While it continues to work in this direction, and until it finalizes a stronger formula, I am recommending an interim approach for the coming year of an across the board 7.5 percent increase for community colleges and each of our four year institutions. If improvements can be developed by the Coordinating Board during the course of the session, I will be pleased to cooperate with the General Assembly in distributing the amount that I have recommended on the basis of the revised formula rather than as a flat percentage.

A 7.5 percent operating increase should contribute to further progress on our campuses if wisely used. But another aspect of support for

our colleges is of particular concern to me this year. The maintenance of our capital investment in existing buildings and equipment at our institutions has tended to suffer in recent times. As federal court orders have drained state resources, we have delayed repairs and failed to modernize fully the research and instructional equipment vital to quality.

To address this need, I propose raising the essential additional revenue by increasing our cigarette taxes to within the national mainstream and by eliminating current tax exemptions on other tobacco products. Missouri's tax on cigarettes is over 35 percent below the national average and significantly below most of our surrounding states'. In fact, only six states have lower cigarette taxes. And, unlike most states, we have no excise tax at all on chewing and pipe tobacco.

But, just because a tax is low is not a reason to raise it. I single out the tobacco tax because in 1987 smoking-related deaths and illnesses cost Missourians an estimated \$1.26 billion, or \$254 per person. Smoking cost every taxpayer last year in higher Medicaid and health insurance costs. We are already spending state dollars on

smoking related illness and death that could have been spent maintaining basic facilities and programs.

I simply don't believe those who don't smoke should be asked to subsidize those who do. That's what happens when the excise tax rate doesn't nearly recover the cost of smoking to the taxpayers.

I believe we have the political will to pass this relatively small change in our revenue structure. If we do not, then I believe that will tell us a great deal about the attitude of the people and their representatives toward our tax burden.

This small change in our overall tax structure could produce \$55 million. It would support our investment in essential maintenance and equipment on higher education campuses. It would also allow us to expand our Medicaid program to include the medically needy, and provide seed resources for state and local economic development projects.

As to the suggestion of other state tax increases, the case simply has not been made. I do not and will not support any other state tax increase that may be suggested to you this year.

We should never fool ourselves into thinking that we can buy our way to excellence. We can only work our way to excellence.

### Getting Results

We all want our tax dollars to achieve some very simple goals: educated children, a prepared workforce, a safe environment, and care for those not able to care for themselves. So, when a school child drops out, when a new worker cannot read, when it takes too long to get needed care, what are the solutions we look for?

The solutions we consider depend on whether we ask some very simple questions: Why aren't we getting the results we want from the tax dollars we are spending? Can we spend the dollars entrusted to us by the taxpayers, our bosses, more wisely? Are we spending for programs we really don't need or that have outgrown their usefulness? What are we doing to become more accountable to the taxpayers? The answers to these simple questions are sometimes hard, so it is too easy to skip them and get right to the conclusion that the special interests would like us to reach -- let's raise taxes. Well, I do not believe we have yet asked enough hard questions or made enough tough choices.

And the taxpayer, your boss and mine, cannot increase a paycheck at will. As individuals we live within our means and make hard choices to save for college, to have an adequate place to live, to put food on the table. We cannot take more taxes from taxpayers' pockets without first asking and answering the hard questions.

We must ask those whose first solution is to raise taxes to show why we are not getting the results we need from what we are spending. We must ask them to show how the taxes entrusted to us by our bosses can be used more efficiently.

Too many pundits and politicians alike assume that only political considerations ever stand between government and the upward spiral of taxes. Well, the politics are finished but principles remain. The dollars that are best invested are the dollars we leave in the taxpayers' pockets.

The private sector is the primary engine of progress, and it is the people -- not the public agencies and interest groups -- to whom we must make our commitment to progress.

The people of this state have entrusted us with their destiny. They have charged us with a sacred trust to lead them into the next century -- to ensure that they and their children, and their children's children will be prepared to prosper in that time. We cannot violate that trust, ladies and gentlemen. Let's work together in a renewed Commitment to Progress for Missouri.

Thank you and God bless you.